

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, MS 19-74 Sacramento, CA 95814



February 4, 2004

## FOSTER CARE AUDITS AND RATES LETTER (FCARL) NO. 2004-01

TO: ALL GROUP HOME PROVIDERS  
ALL COMMUNITY TREATMENT FACILITY PROVIDERS  
ALL FOSTER FAMILY AGENCIES  
ALL REGIONAL CENTER GROUP HOMES  
ALL REGIONAL CENTER FOSTER FAMILY AGENCIES  
ALL COUNTY WELFARE DIRECTORS  
ALL CHIEF PROBATION OFFICERS  
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: GROUP HOME RATE APPLICATION/FOSTER FAMILY AGENCY RATE  
REQUEST REQUIREMENTS AND NOTICE OF IMPORTANT CHANGES TO  
THE FOSTER CARE RATE SETTING PROCESS

This letter is to advise you of the important changes in statutes which will impact the requirements for submission of group home rate applications and foster family agency rate requests. This letter also contains information about recent changes in the organization of the California Department of Social Services (CDSS) Foster Care Rates Bureau (FCRB) and how to contact your Rates Consultant. **Please read this entire letter so that you are aware of the changes which may affect a group home or foster family agency corporation's responsibilities and assist you in obtaining services from the FCRB.**

**LEGISLATION REGARDING RATE SETTING PROCESS**

Assembly Bill (AB) 1752, (Chapter 225, Statutes of 2003) enacted statute which requires the Department to establish rates for group homes and foster family agencies on a biennial basis. The filing dates for rate applications/rate requests are to be on a schedule determined by the Department. These statutory amendments can be found in Welfare and Institutions Code (WIC) Section 11462(a)(3)(A) and Section 11463(i). Additionally, the legislation allows CDSS to develop regulations for implementation of the biennial process on an emergency basis.

Moreover, AB 1752 extended the temporary rate relief provided in AB 444, (Chapter 1022, Statutes of 2002) for fiscal year 2003-2004 which adjusted the Rate Classification Level (RCL) points for use in program audits and in determining any resulting rate reduction, overpayment assessment or other action. Original notification of the provisions of AB 444 and adjusted point ranges for calculating RCLs can be found in FCARL No. 2002-01 on the internet at: [http://www.dss.cahwnet.gov/getinfo/fcarl02/PDF/fcarl02\\_01.pdf](http://www.dss.cahwnet.gov/getinfo/fcarl02/PDF/fcarl02_01.pdf). Please note that the adjusted rate schedule is not applicable to provisional audits of new providers, new programs, and program changes.

CDSS is currently drafting emergency regulations which will outline the revised rate application filing requirements. Notice of the emergency regulations will be provided via the regulation adoption process.

### **APPLICATION FILING REQUIREMENTS FOR ONGOING GROUP HOME AND FOSTER FAMILY AGENCY PROVIDERS**

Since all group home and foster family agency providers filed rate applications/requests for the 2003-2004 fiscal year and received a current rate letter, the Department has determined that **no rate applications/requests from ongoing group home and foster family agency providers will be required to be filed this year.** Therefore, all rates will remain in effect until the next filing due date, as determined by the Department. In the event the Legislature enacts a change in the rates for group homes and foster family agencies, a notice of that change will be provided to all parties impacted by the change.

Since the annual rate application/request process has been modified and will not be required as often as in the past, it is critical that providers immediately notify the FCRB of any changes in their program and/or corporate structure, such as changes of board members. The FCRB must also be notified if the corporation ceases to operate as a non profit corporation. Failure to do so may result in penalties and possible rate termination.

### **APPLICATION FILING REQUIREMENTS FOR NEW PROVIDERS/PROGRAMS, AND PROGRAM CHANGES**

The recently enacted statutes do not affect the existing requirements for the filing of program change applications such as RCL increases and decreases, and new programs, as well as license capacity increases and decreases, relocations, or corporate changes.

Providers with Internet access can obtain the SR forms necessary to complete such applications online at the following address:  
[www.dss.cahwnet.gov/cdssweb/On-lineFor\\_271.htm](http://www.dss.cahwnet.gov/cdssweb/On-lineFor_271.htm). Providers without Internet access can obtain a copy of the SR forms by contacting the FCRB. If using SR forms other than those available via the Internet, providers should ensure they are using the most current form revision (see MPP Section 11-406).

### **CHANGES IN THE FCRB**

Due to recent budget reductions, the FCRB staff has been reduced. Therefore, we may not be able to provide the same level of responsiveness to your calls and requests for services as in the past. However, please be aware that the remaining staff are committed to processing your applications and providing technical assistance as promptly as possible. To aid us in this endeavor, it is imperative that you allow adequate time to respond to your requests for information and process program changes. To the extent possible, requests for program changes and new programs should be submitted at least 60 (sixty) days prior to the desired effective date. Additionally, requests for information should be made sufficiently in advance in order to allow the FCRB staff time to provide you with the best possible service. For your information and to assist you in reaching your Rates Consultant, we have attached a list of new county assignments. Additionally, please note that individual technical assistance consultations are still available by phone, in person in Sacramento, and by mail.

We want to thank you in advance for your cooperation and together we can continue to ensure quality services for children in California. If you have any questions regarding your rate, please contact your Foster Care Rates Consultant. For any questions about the financial audit report, please call the Financial Audits and Investigations Bureau at (916) 274-0445. Questions regarding program/provisional audits should be directed to the Program Audits Bureau (916) 274-0445.

Sincerely,

GLENN FREITAS, Chief  
Foster Care Audits and Rates Branch

c: Foster Care Alliance  
African American Foster Parent and Group Home Association  
Community Residential Care Association of California  
Residential Care Providers Association of Los Angeles County  
Association of Minority Adolescents in Residential Care Homes of Los Angeles County  
California Alliance of Child & Family Services  
Association of Minority Adolescents in Residential Care Homes (AMARCH)  
Association of Community Services Agency  
County Welfare Directors Association  
North Valley Children and Family Services, Inc.

Enclosure

# FOSTER CARE RATES UNIT

Main: (916) 263-0441

Fax: (916) 263-0320

**SANDRA HAMMER, Manager**

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| <b>CATHY CERNIGLIA</b><br>(916) 263-0436<br><br>Del Norte<br>Humboldt<br>Imperial<br>Modoc<br>Madera<br>Mendocino<br>Merced<br>Placer<br>Riverside<br>Sacramento<br>San Bernardino<br>Santa Barbara<br>Sutter<br>Ventura<br>Yolo<br>Yuba | <b>BARBARA NORRIS</b><br>(916) 274-6244<br><br>Alameda<br>Alpine<br>Amador<br>Calaveras<br>Contra Costa<br>Lake<br>Marin<br>Mariposa<br>Monterey<br>Napa<br>Nevada<br>Plumas<br>San Benito<br>San Francisco<br>San Luis Obispo<br>San Mateo<br>Santa Clara<br>Santa Cruz<br>Sierra<br>Sonoma<br>Stanislaus | <b>CARRIE SALISBURY</b><br>(916) 263-0437<br><br>El Dorado<br>Fresno<br>Kern<br>San Joaquin<br>Solano<br>Tulare | <b>DIANA JAYNE</b><br>(916) 263-0433<br><br>Butte<br>Colusa<br>Glenn<br>Inyo<br>Kings<br>Lassen<br>Los Angeles<br>Mono<br>Orange<br>San Diego<br>Shasta<br>Siskiyou<br>Tehama<br>Trinity<br>Tuolumne |
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